



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

MAY 30 2013

Mr. J. Larry Sorsby
Executive Vice President
Hovnanian Enterprises, Inc.
110 West Front Street
P.O. Box 500
Red Bank, New Jersey 07701

Re: Demand for Stipulated Penalties
United States, et al. v. Hovnanian Enterprises, Inc.
Docket No. 10-cv-1742-TJS (E.D. Pa. 2010)


Dear Mr. Sorsby:

Pursuant to Section VII of the above-referenced Consent Decree, the U.S. Environmental Protection Agency ("EPA") is issuing a demand for stipulated penalties to Hovnanian Enterprises, Inc. (Hovnanian) for violations of the Decree documented in Hovnanian's 2012 National Compliance Summary Report submitted to EPA on February 25, 2013. This letter is to demand payment to the United States of stipulated penalties in the amount of \$7,700 for those violations, pursuant to Paragraph 29 of the subject Consent Decree. The enclosed Attachment 1 provides details about the calculation of this stipulated penalty demand.

Pursuant to Paragraph 31.b of the Consent Decree, stipulated penalties are due and payable within thirty (30) days of Hovnanian's receipt from EPA of a demand for payment of the penalties, unless Hovnanian invokes the procedures under Section IX thereof (Dispute Resolution). Pursuant to Paragraph 31.c of the Decree, the entire stipulated penalty amount is payable in full to the Federal Plaintiff.

If you have any questions regarding this demand for stipulated penalties, please contact Lori G. Kier, Esq., at 215-814-2656.

Sincerely,


Jon M. Capacasa, Director
Water Protection Division

Mr. J. Larry Sorsby

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cc: Nancy Flickinger, Esq.
U.S. Department of Justice
P.O. Box 7611
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